

## Outcomes-Based Resourcing: Structure and Programme

14 March 2023

### Report of Chief Executive

#### PURPOSE OF REPORT

The council's ambition to achieve long-term success for the district whilst addressing significant resourcing challenges requires a structured and coordinated approach.

This report proposes the principles, structure and outline plan for the Outcomes-Based Resourcing (OBR) programme in 2023-24 to pursue an outcomes-focused approach whilst achieving sustainable long-term financial and resourcing stability.

**This report is public.**

#### RECOMMENDATION OF THE LEADER

- (1) That Cabinet approves the delivery of the Outcomes-Based Resourcing (OBR) programme based on the principles and outline structure set out in this report, along with the outline Programme Plan set out in Appendix A.

#### 1.0 INTRODUCTION

- 1.1 Lancaster City Council is ambitious in its pursuit of the sustainability of its environment and the success of its economy and communities. The council's Priorities, along with the Outcomes that will contribute to the delivery of each Priority, are set out in its core Plan 2030.
- 1.2 The council faces significant resourcing challenges in both the short- and medium-term as a result of increased costs and continued resourcing constraints. Achieving positive long-term outcomes for the Lancaster district while addressing these challenges requires a highly coordinated and purposeful approach, and substantial collaboration and partnership between the council and local residents, stakeholders and partners.
- 1.3 During 2022-23 the council has laid the foundation of its 'Outcomes-Based Resourcing' (OBR) programme, an outline plan for 2023-24 is set out in Appendix A to this report. The programme, if approved, will take an outcomes-focused approach to achieving sustainable long-term financial and resourcing stability. The programme focusses on both delivery of the outcomes agreed by the Council in setting its budget and development of workstreams already agreed by Cabinet.

#### 2.0 PRINCIPLES

- 2.1 The overall goal of the OBR programme is to ensure the council maintains a primary focus on the achievement of local environmental, economic and community priorities for the district as summarised above.
- 2.2 This means that whilst necessary decisions on funding and resources will be required to fulfil the council's statutory duty of maintaining a balanced budget, its OBR approach will focus on the strategic, priority- and outcomes-focused implications in its decision-making, ensuring that the organisation continues to

- make the most of its available **resources**, via a balanced budget and sustainable approach
- deliver **excellent services** for its residents and businesses
- achieve long-term strategic **outcomes** for the Lancaster district's success in alignment with the council's Plan 2030 Priorities.

2.3 Six core principles for the OBR programme are proposed to maintain a strategic, outcome-focused approach:

- Protecting and enhancing our frontline and neighbourhood services
- Working collaboratively and sharing resources with our partners and communities
- Maintaining control of our services i.e. through direct delivery rather than outsourcing, so we can be as agile and responsive as possible
- Ensuring our services reach those who need them the most
- Supporting our people to do what people do best, using technology to do what technology does best
- Seeing the big picture (data) and listening (conversations & dialogue)

### 3.0 STRUCTURE

- 3.1 Successful delivery of the OBR programme on a clear and structured approach, supported by the appropriate resources across each workstream and at every stage.
- 3.2 The 2023-24 budget process was delivered through collaboration between members and officers in themed working groups, supported by external resources where appropriate.
- 3.3 A similar approach is proposed for the wider programme going forward, based on groups delivering each of the programme's workstreams set out in Appendix A.
- 3.4 Overall responsibility for the direction and delivery of the programme will be provided by a Strategy & Coordination group. This group will receive regular updates from each of the workstreams, and provide a point of escalation for issues and resource requests as well as directing the programme's strategy and communications.
- 3.5 All OBR groups will be led by Portfolio holder(s) and Senior officer(s).
- 3.6 It is anticipated external support will be required. Currently Peopletoo are engaged to provide this.
- 3.7 Delivering outcomes via partnerships is integral to the OBR approach. It is intended that strategic direction will be provided through the strategy and coordination group. Development of purposeful partnerships will be an essential part of the scope of every group.

### 4.0 DECISION-MAKING AND MONITORING

- 4.1 The proposed approach to structuring the programme, set out above, will enable frequent and intensive monitoring of each workstream at an internal level.
- 4.2 Any specific programme-related decision-making will be conducted in accordance with the council's constitutional requirements, with decisions referred to Cabinet, Full Council or committees as appropriate.
- 4.3 The programme will be reported publicly in full through the council's quarterly '*Delivering Our Priorities*' projects, performance and resource monitoring process. Reporting will summarise the progress of the programme as a whole, with each workstream reported as an individual corporate project with its own update.

### 5.0 DETAILS OF CONSULTATION

- 5.1 Substantial consultation has taken place during the council's budget development process alongside the foundational OBR preparatory work. Public communications and briefings have set out the overall OBR approach, and a public survey in December 2022 sought public views on the council's strategic resourcing.

## 6.0 OPTIONS AND OPTIONS ANALYSIS (including risk assessment)

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| <b>Option 1: Approve the proposed OBR programme and approach</b>   |
| <b>Advantages</b><br><br>Approving the proposals will enable an outcomes-focused approach to the district's success, whilst delivering sustainable long-term financial and resource stability.                 |
| <b>Disadvantages</b><br><br>None identified in this report.  |
| <b>Risks</b><br><br>Circumstances may continue to change through the lifecycle of the programme, requiring a level of strategic flexibility and agility.   |
| <b>Option 2: Do not approve the proposed OBR programme and approach</b>  |
| <b>Advantages</b><br><br>None identified in this report.   |
| <b>Disadvantages</b><br><br>Failure to take a structured and coordinated approach to strategic success and resource stability would have severe disadvantages for both the council and the Lancaster district. |
| <b>Risks</b><br><br>As above.  |

## 7.0 OFFICER PREFERRED OPTION

- 7.1 The officer preferred option is Option 1. Pursuing the OBR programme will enable an outcomes-focused approach to the district's success, whilst delivering sustainable long-term financial and resource stability.

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| <b>RELATIONSHIP TO POLICY FRAMEWORK</b><br><br>The Outcomes-Based Resourcing programme represents the council's plan for successfully delivering positive outcomes for the Lancaster district whilst achieving long-term financial and resourcing sustainability for the council. As such, this report contributes to each of the council's strategic Priorities as set out in its core Plan 2030. |
| <b>CONCLUSION OF IMPACT ASSESSMENT</b><br>(including Diversity, Human Rights, Community Safety, Sustainability etc)<br><br>No direct impact arising from this report. All initiatives forming part of the programme will be considered for their impact as appropriate.  |
| <b>FINANCIAL IMPLICATIONS</b><br><br>There are no direct financial implications arising from this report. Any future officer time required will be managed from within existing budgets.   |

It is likely that future reports will be required to be presented to Cabinet as necessary over the forthcoming months. Financial consequences/decisions contained within these reports will be discussed in the context of that individual report as appropriate.

#### **SECTION 151 OFFICER'S COMMENTS**

The Council's current projected funding gaps reveals the continuing financial challenge faced by the Council. It is becoming increasingly difficult for the Council to identify further savings without significantly impacting on services. The proposals put forward within the Funding the Future strategy provide a combination of short-, medium- and longer-term solutions, aligned with the Council's Medium Term Financial Strategy to bridging the funding gaps and building financial resilience within the Council.

#### **LEGAL IMPLICATIONS**

Legal advice will need to be taken at appropriate stages in the delivery of the OBR programme. Officers need to ensure that relevant statutory provision and public law duties are being met when making and implementing decisions.

Any agreements on collaboration or shared services with partners/ other councils made under the Local Government Act 1972 (or otherwise) will need input and assistance from the Legal Services department.

When exercising the Council's functions, officers/members will need to consider their duties under the Equality Act 2010 and in particular to their s149 duties. They will also need to consider the Human Rights Act 1998 in any decisions which engage protected convention rights.

Specialist advice may be needed on employment and property law. With regards to generating revenue, officers will need to consider the extent of the council's powers to raise revenue under the Local Government Acts and the Localism Act 2011.

#### **MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has nothing to add to the legal implications set out above.

#### **BACKGROUND PAPERS**

Appendix A: Outline Programme Plan

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